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Failure and success stories in Intercultural Project Management

Geschichten von Erfolg und Misserfolg in interkulturellem Projektmanagement

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Abstract (English)

Technical project management (PM) requires constant individual interpretation with regard to expected project success or failure. This article shows that narrative sensemaking with regard to PM is a crucial factor of how future project success / failure is interpreted. Based on a long-term interpretative study of an intercultural project in a technical company, we identify three steps of narrative sensemaking: (1) retrospective failure stories; (2) ongoing failure storying; (3) culturalized failure stories / culturalized strategic success stories. We show that culturalized interpretations of a project's failure are linked to the individual need to simplify reality. The danger of culturalized interpretations is that they neglect potential PM-related project issues and hinder the development of intercultural PM competencies. We suggest the analysis of stories, especially of ongoing failure storying, in order to prevent culturalized interpretations from prevailing, thereby contributing to theory and practice of PM and intercultural education and development.

Keywords: Storytelling, interpretation, project management

Abstract (Deutsch)

Technisches Projektmanagement (PM) erfordert die fortlaufende individuelle Interpretation des zu erwartenden Projekterfolgs oder -misserfolgs. Dieser Artikel identifiziert Prozesse des narrativen Sinnmachens als Schlüsselfaktor bei der Interpretation von zukünftigem Projekterfolg oder -misserfolg. Basierend auf einer interpretativen Langzeitstudie eines interkulturellen Projekts in einem technischen Unternehmen, identifizieren wir drei Schritte des narrativen Sinnmachens. Diese sind: (1) Retrospektive Geschichten des Misserfolgs; (2) laufende Erzählprozesse des Misserfolgs; (3) kulturalisierte Geschichten des Misserfolgs / des strategischen Erfolgs. Wir zeigen auf, dass kulturalisierte Interpretationen des Projekt-Misserfolgs oft im Bezug stehen zur individuellen Notwendigkeit, die Realität zu vereinfachen. Die Gefahr von kulturalisierten Interpretationen liegt darin, dass sie den potenziellen Bezug zu PM-Problemen vernachlässigen und der Entwicklung interkultureller PM zuwider laufen. Um zu vermeiden, dass kulturelle Interpretationen dominant werden, schlagen wir die Analyse von Projekt-Geschichten vor, speziell die der laufenden Erzählprozesse des Misserfolgs.

Damit tragen wir zu Theorie und Praxis des Projektmanagements und der interkulturellen Kompetenzentwicklung bei.

Stichworte: Narrative, Interpretation, Projektmanagement

1. Introduction

Technical PM across cultures is a feature of today's cultural complexity in organizations (D'Iribarne 2008, Mahadevan 2008a). Much of it takes place across corporate sites, across societal cultures and across organizations (Meier 2004), involving the macro-societal, the meso-organizational and the micro-individual level of culture (see Mahadevan et al. 2011). When compared to one-sited PM, multi-sited or international PM requires increased coordination and communication (Walter 2004:216f.). In technical companies, PM is often linked to collaborative engineering across sites (Mahadevan 2008b). Hence, technical PM can be considered an important feature of intercultural engineering today. Following Kerzner (2008:2), a project is defined as

> *"any series of activities and tasks that have a specific objective to be completed within certain specifications, defined start and end dates, funding limits, consume human and nonhuman resources and are multifunctional."*

As PM literature suggests (Kerzner 2008, Bea / Scheurer / Hesselmann 2008), the success or failure of a project depends less on its theoretical or conceptual foundations but rather on its implementation. With implementation, we mean not only the specific way in which PM theory and tools are applied but also the specific ways in which individuals live their roles and responsibilities within a project.

Culture has been conceptualized as an influencing factor on how PM is implemented (De Bony 2010, Pheng / Leong 2000, Pant et al. 1996). Yet, and this is our argument, culture in PM has been approached mainly through macro-comparative cultural standards and dimensions as defined by Hofstede (1980, 1988, 2003), Hall and Hall (1990), Trompenaars and Hampden-Turner (1997), and House et al. (2004). We argue that the comparative macro-cultural perspective falls short of acknowledging the complexities of technical PM and collaborative engineering. To close this gap, we suggest approaching culture not as a given influencing factor on PM but as continuous processes of inside (emic) interpretation and sensemaking. We argue that these processes of sensemaking will be visible through stories of project success and failure. In this article, we focus on how individuals interpret failure and which strategies they choose to secure success.

This article is based on interpretative qualitative research (Hatch / Yanow 2003) in a multinational company which is involved in technical PM across sites, cultures and organizations. In this article, we show that the way in which these actors implement PM is linked to sensemaking activities on an individual level. Our findings suggest that (1) individual expectations of whether the project is about to fail and (2) individual needs to simplify project reality in order to achieve strategic success are the two main factors for the emergence of culturalized interpretations in PM.

For making our argument, we proceed as follows: First, we outline the nature of PM and the impact of culture it. Second, we present how a specific project is made sense of in a technical company. Finally, we draw conclusions and highlight the implications of our findings for intercultural PM.

2. Project management and culture

2.1. Introduction to project management

Project management is by no means a homogenous concept. Rather, the term is used in multiple contexts and

defined in multiple ways. Also the term project itself is used in various ways, the definition that has been given at the beginning of this article being a basic one. Based on DIN 69901, but enlarging this definition, Bea, Scheurer and Hesselmann (2008:31f.) argue that one can speak of something being a 'project' if the following characteristics apply: (1) temporality, (2) the innovative character of its content, (3) its relative size being sufficiently large, (4) the increased degree of complexity which goes along with it. Focusing not on a project's characteristics but on its goals, Kerzner (2008:22) proposes an alternative view, namely a project being characterized by a target describing a multifunctional task and which needs to be met within the project's duration using the limited personal and financial resources available.

Following these definitions, operations which can be classified as 'projects' can be found in virtually every industry and in both profit and non-profit organizations. The responsibility for project planning and control and for managing project risks and opportunities lies with project management (Kerzner 2008:22, Bea / Scheurer / Hesselmann 2008:41ff.). This involves the dimensions time, costs, and performance / quality (Bea / Scheurer / Hesselmann 2008:38f.) and internal and external customer relations (Kerzner 2008:24ff.).

A major aim of PM is to structure, plan and control the complexities of project reality. This concerns both project targets and project stakeholders (Probst / Haunerdinger 2007:38ff.). In technical projects, targets are often described with the help of requested and mandatory specifications (Burghardt 2006:54ff.). Secondly, all stakeholders have to be integrated with regard to the project's goals. In order to do so, it is required that all stakeholders as well as their interests and potential conflicts and trade-offs between them are known to PM and taken into account (Cronenbroeck 2004:28ff., Kuster et al. 2008:200ff.). Despite the aim to foresee and plan reality, project managers and staff have to make sure they react in an appropriate manner towards changes in the project itself, the project's goals and the project's environment (Kerzner 2008:26ff.).

These conditions require project managers to possess a universal set of skills and competencies beyond technical expertise. This involves not only managerial and operational knowledge and competencies but also leadership qualities and social competencies in interaction with all the project's stakeholders (Kerzner 2008:146f., Schelle / Ottmann / Pfeiffer 2008:320ff.).

2.2. The interpretation of culture in technical PM

So far, culture in technical PM has mostly been considered on a macro-societal level. Several studies have tried to analyze how macro-societal cultural dimensions influence PM (De Bony 2010, Pheng / Leong 2000, Pant / Allinson / Hayes 1996, Schoper 2004). Yet, given the complex realities of technical project management across cultures, it seems doubtful that macro-cultural dimensions can predict individual behavior. Therefore, we propose an interpretative view on culture (Hatch / Yanow 2003). Interpretative qualitative research intends to uncover the meaning which actors in the field give to their doings and to the world (Hatch / Yanow 2003). This approach assumes that culture is not given objectively, but created through social interaction and individual sense-making activities (Mahadevan et al. 2011). We follow this approach due to two reasons:

First, literature suggests that it is PM implementation and not PM theory which makes the difference between project failure and success. Therefore, given a sound theoretical foundation of PM in a specific organizational setting, it is the individual action and interpretation which will be the decisive factor on project success and not the theories upon which these actions and interpretations are based.

Second, the uniqueness of each project means that every situation is new and

uncertain. The group of people involved in the project and their roles within the project will be a new or partly new configuration as well. Otherwise, their activities would not be classified as *project work*. Therefore, it is to be expected that this group of people will need to find a *common way of doing things* beyond those styles which are already known to them – they will need to create a shared *Interculture* (Mahadevan et al. 2011). It is with this idea in mind that we speak of *inter*-cultural and not of cross-cultural project management in this article.

From an interpretative cultural perspective project managers face a high degree of uncertainty, change and risk. In order to manage these conditions, they have to interpret reality constantly. At the same time, PM itself is a discipline which assumes that complex reality *can* be managed, structured and planned for in order to achieve project success. This implies that project managers are trained to structure and to simplify reality into dichotomist categories such as project risks and opportunities or project failure and success. In order to do so, they know and implement various tools. Yet, and this is our argument, reality cannot be simplified in such a way, and there might be cases in which the project manager's interpretation of the project's status is conflicting. Our article will focus on such a conflicting situation and ensuing strategies for dealing with it.

3. Research methods and field

3.1. Methods and approach of research

This article is based on longitudinal multi-sited interpretative qualitative research (Van Maanen 2006). The field is a technical multinational company which is to be called TechCorp in this article. Its organizational setting was characterized by technical projects which were conducted collaboratively across sites, in this case between a German and an Indian site, and which involve both internal and external stakeholders.

As is common in interpretative qualitative research, the research focus evolved through interaction with the field (Van Maanen 2006). Particularly, during research, actors told stories about their perceptions as to whether they felt that these projects were going well or not. In such a way, the storytelling approach became our approach of research.

Stories are an important source of managerial knowledge (Gabriel 1991, 2000). Through telling each other stories, individuals structure experiences and expectations by giving causalities to events (Gabriel 2000). Stories establish actors and their roles, and make sense of ongoing events. Stories differ with regard to how well-established their logic is. Boje (2008) differentiates between finite stories and ongoing storying. Finite stories are characterized by a clear structure – beginning, middle and end – and clear actor roles. Ongoing storying describes stories which have a beginning and a middle, but not yet an end. This means: Their logic is not yet complete. Through ongoing storying, individuals try out different causalities for present events which are still messy and complex, and not yet finite.

As Soin and Scheytt (2006) have argued, storytelling approaches might be an ideal means of uncovering inside (emic) meanings in intercultural management. Through an interpretative analysis of how technical experts perceive their practice in a specific field, Orr (1996) has given an example for technological storytelling.

Through the storytelling approach, we were able to trace a project (to be called Project X in this article) in the company studied over a period of 18 months. As every project, Project X is unique. Like every project, it required constant evaluations whether it was still on track with regard to cost, time, quality, and also communication. Yet, we were not interested in the factual success of the project but rather in the interpretations of its success or failure.

3.2. Introduction to TechCorp

TechCorp is a multinational high-tech company which delivers highly complex technical equipment to corporate customers worldwide. Its corporate headquarters are in the Netherlands; global production takes place at two sites in India and Canada. A site in Austria plays a major role in global quality management and human resources; another site in Germany coordinates global production. Corporate customers are global companies on international markets.

With the help of the technical equipment which TechCorp produces, international customers manufacture their final products which are very often patented. These patents have been secured by a high investment in research and development and therefore constitute a considerable corporate asset. After a specified period of time, these corporate patents will run out. Therefore, the corporate customer needs to produce as much and as quickly as possible of the final product before patent protection will end. Afterwards, other companies will be able to access this data freely and to produce cheaper imitations of the original product. The technical equipment produced by TechCorp is essential for production. Based on the stated market conditions, TechCorp needs to produce and deliver in time and exactly to specification. Otherwise, penalties will need to be paid. This condition makes every project at TechCorp highly time-critical.

The corporate customers of TechCorp operate on highly regulated markets. Their final products concern the health of human beings, and therefore have to meet high safety standards. The specific standards vary across regional clusters and countries, yet tend to be are equally high. This means that quality demands are high.

The technical equipment which TechCorp produces for its corporate customers is highly individualized. This means that every project is unique; each version of this technical equipment needs to be designed, specified and manufactured and delivered according to individual customer specifications. This has implications from a project management and from a marketing perspective.

From a project management perspective, the execution of PM theories and principles is of crucial importance to corporate success. This execution involves the coordination of different sites and organizations such as local suppliers.

From a marketing perspective, relationship management and frequent customer interaction are essential (Backhaus / Voeth 2006). Relationship management demands for managing customer life-cycles beyond a single point of sale, including, for example, after-sales services and engineering consulting. The need for long-term customer interaction implies that the customer might have a specific need, e. g. to buy equipment which facilitates the production of a certain quantity in a certain quality and under certain cost / time restrictions, but might not know by which technical solution this need might be fulfilled. This is due to the lack of specific know-how from the customer's side. Hence, the final product is specified through multiple seller-buyer interactions and negotiations, involving multiple stakeholders from both sides ("buying-center" and "selling-center", see Backhaus / Voeth 2006).

The Indian production site of TechCorp was established in 1995, TechCorp due to two reasons. First, the customer's need for high quality demanded for cost-optimization when producing the technical equipment required. Hence, through moving to India, TechCorp intended to lower its labour-costs in production. Second, this strategy was chosen to be nearer to a potential Asian customer base.

Over the years, manufacturing knowledge at the Indian site evolved. Production was transferred there from other regions, and in the end manufacturing in high-cost regions such as Germany was abandoned all together. This process

required a large amount of knowledge-transfer from a German site, formerly responsible for production. In the process, the two sites grew together, both from a structural and from a human perspective. On structural level, both sites nowadays share corporate functions such as project control and global operations. On the human level, managers from both sites got to know each other and invested in understanding cultural differences between Germany and India. Overall, the feeling is that one has overcome cultural differences which had been felt in the beginning.

4. Making sense of Project X

This article focusses on a global production project which was conducted collaboratively by the Indian and the German site between 2007 and 2008. Until 2007, global PM control with regard to production has solely been exerted by the German site. However, in June of 2007, the Indian site was given responsibility for Project X. The goal was to manufacture and deliver customized technical equipment for an Indian customer. Project X was the biggest project ever executed directly by the Indian site. Direct customer interaction was to be handled by the Indian site as well.

In the following, we present data from the field. In the process, two types of stories with regard to the perceived failure / success of Project X are identified and presented, namely finite retrospective stories and ongoing present storying. Individual interpretations of project success or failure are categorized as either PM-related or culturalized interpretations. Culturalized failure stories and the ensuing need for strategic success stories are discussed.

4.1. Finite stories vs. ongoing storying

Project X was to be led by an Indian engineer who had been with the company for several years. He had executed smaller projects for Indian customers previously. However, immediately after this decision was made, the global production manager at the German site who had previously been in charge of global PM expressed his concerns that the Indian site would not be able to handle a project of this size. In August 2007, he refers back to the last project which had been partly handled by the Indian site. Reflecting upon his position, he says:

> *"Last year [we had lots of issues in PM] that caused additional costs of 50,000 Euro. And, then my manager asks me: 'XY, are you crazy?' And I go: 'What shall I do?' And next, I am blamed by top management, I feel like a toy robot. And then top management blames me: 'What are you doing?' And now, I really have to walk a fine line, whatever goes wrong, comes back to me. And next, top management might stop the whole project. They would not stop the project, would they? And then, I am stuck in the middle again." (Quote 1: Ongoing storying of success / failure, German production manager)*

Yet, the German production manager's direct manager tells a different story. He says:

> *"When the two sites started working together on this project, it started out just fine. But then, the managing directors at the German and the Indian site stopped talking to each other. And this is why we have these issues." (Quote 2: A finite and retrospective failure story, German member of board)*

In contrast to the German production manager's ongoing narrative, the German board member's story is finite. It has a clear causality: It has a beginning ("when the two sites started working together"), a middle ("the managers stopped talking to each other") and an end ("and this is why we are having these issues."). As with every finite story, the narrative structure is well established. The beginning sets the scene for a specific event. The middle describes this event. The end highlights its consequences. The actors of the story and their roles are equally clear: Responsibility is given to "the managing directors". In summary, this story is complete and simplifies reality, even though reality

itself might not have been equally simple (as the production manager's story suggests, quote 1). Communication between two individuals is identified as a main issue of PM across sites. This makes this story a finite story of project failure as viewed retrospectively.

Contrastingly, the German production manager's statements (quote 1) can be seen as an example for ongoing storying: He speaks of a beginning (last year), and a causal event (additional costs) but does not propose a reason for why this event takes place and how it might be solved. This makes this narrative an example of ongoing storying (see Boje 2008), i. e. a storying activity which deals with present events and which does not yet propose an finite interpretation. This condition is different from the board member's finite story (quote 2) which suggests a simple strategic solution: Have the two managing directors talk to each other and establish trust between them. Then the issue is solved.

The production manager's story (quote 1) does not yet have such a simplifying and linear cause-and-effect dimension. Rather, it is circular: The same points are mentioned again and again, never resulting in inherent logic. Furthermore, roles remain unclear: The speaker does not seem to be able to identify a role for himself. Whereas the member of the board has identified the villains of his story (the managing directors at both sites) who caused these issues, his subordinate does not identify actors with clear roles.

4.2. PM-related vs. culturalized interpretations

As has been said, the issue of project control was an issue at the German site in summer 2007. At the same time, the Indian project manager whose role is questioned by the German production manager tells the following story:

> *"During the last time when we handled a project in cooperation with the German site here in India, we experienced some issues. The main issue was that costs were allocated to the Indian site but actually were caused by delays in global engineering which is comprised of both sites. But when I tried to raise this point towards our German colleagues, [the production manager] in particular, I was told that this was due to insufficient project controlling in India." (Quote 3: A PM-related interpretation, Indian global project manager)*

In the Indian project manager's story, the current event is not seen as an issue of project controlling or costs as such. Rather, it highlights the fact that the reasons for these additional costs need to be interpreted in a way that acknowledges the complexities of PM: Due to corporate design – a global matrix-structure – it is simply not possible to allocate costs to a specific site. Hence, a request made by engineers at the German site which was fulfilled by engineers at the Indian site might well have caused additional costs based on delays at the Indian site. In summary, the Indian project manager's story proposes a different interpretation: Additional costs as caused by PM issues due to the collaborative nature of the project. Therefore, we call this story a "PM-related interpretation".

Yet, according to the Indian project manager's story, colleagues at the German site did not choose this the technical / PM-related interpretation. Rather, they ascribe these issues to Indian societal culture as perceived. The following quote can serve as an example:

> *"When we started with Project X, everything was going fine in the beginning. But then there were these additional costs. It think that they are somehow rooted in Indian culture – Indians seem to have a different understanding of time and quality. We need to take care of this." (Quote 3: A culturalized interpretation, German engineer, project member)*

Again, this is a finite story with a clear beginning, a middle and a logical end, its roles are clear. Based on cultural standards and dimensions one could indeed argue that such behavior might be typical of *Indian PM*, based on assumed relative difference between polychronic (Indian) and monochronic (German) time-management (Cronenbroeck 2004:132, Hoffmann 2004:31f.). Other

standard-based cultural interpretations are feasible as well.

However, if one considers the complex nature of both organizational design and the project's scope and the constant processes of cultural sensemaking involved, this rather simplistic societal cultural interpretation might not cover all project-related issues, regardless of their micro-cultural complexity. We therefore interpret it as *a culturalized interpretation*. With this we mean a process by which micro-level behaviour is interpreted as being directly caused by macro-societal culture regardless of or without investigating other influencing factors on professional or organizational level.

Why might this culturalization take place? Multiple interpretions, involving individual perceptions of one' own position or reactions to organizational change and increasing complexity, are possible: Some members of the German site might feel that established local ways of handling a project do not work as well internationally as they did before. Some might realize that they need to develop additional skills and competencies as based on organizational change (e. g. internationalization) and increasing complexity. Some might fear to lose organizational status or power due to knowledge-transfer to the Indian site.

At least the ongoing storying activities of the German production manager (quote 1) suggest that he is uncertain of how his superiors might perceive his abilities to manage Project X. This might create conflicting feelings of insecurity and uncertainty which demand for being solved. Furthermore, the production manager had to hand over PM responsibilities to the Indian site which might result in a perceived loss in power. Therefore, from his perspective, he might not be able to trust his Indian counterpart in a phase of the project which is uncertain.

In autumn 2007, the issue of insufficient project control is a frequent topic at the German site. The dominant story goes as follows: Because the Indian site has implemented insufficient tools for project controlling, the project will not work out. This is true for the German production manager as well. Yet, during an interview in November 2007, he says:

> *"These cost issues at the Indian site will kill the project. This dammed Indianness, it is driving me crazy! But to our organizational design [a global matrix structure, the author], it is impossible to know who has caused the costs. It need not be the fault of the Indian site. I wished they were less Indian, after all!" (Quote 5: An interpretative struggle, German production manager)*

Based on the previous definition, quote 5 is an example of ongoing storying: Two conflicting logics are presented in one narrative. One the one hand the German production manager seems to be aware of the fact that organizational complexities need to be considered when analyzing the root causes of additional costs. This can be viewed as a PM-related interpretation. One the other hand, he raises the issue of *Indianness* as a current project issue. This can be viewed as a culturalized interpretation). Underlying these contradictions is the question: What will happen to me if the project goes wrong? (see quote 1).

4.3. A culturalized failure story and the need for a strategic success story

January 2008 sees major change requests coming in from the Indian customers of Project X which result in additional costs. As the story goes at the Indian site, these change requests are a result of project changes which could not be foreseen but which need to be taken into account. This might very well be the case in technical business-to-business marketing. However, it might also be an example for different styles of planning and controlling a project.

As the story goes at the German site, this is yet another example of the fact that *the Indians never stand their ground* in front of the customer. Frequently, the Indian communicative style is explained as being *too soft*, Indians being *notorious*

yes-persons. Based on own experiences with – mainly German and US-American customers – it was then explained that a good project manager needs to be dominant and strong in front of the customer.

From a macro-cultural comparative perspective, this can be an indication of the relative difference between high-context and low-context communication (Hall / Hall 1990). Yet, it might also be linked to a presumably higher assertiveness in German business style (House et al. 2004). What is notable is that whereas the observation of relative difference might be correct from a German perspective, this description (*too soft, notorious yes-persons*) is comparative and based on own cultural values. Therefore, it is an etic (outside) and descriptive ascription which fails to grasp the emic (inside) meaning of the behavior described. Rather, it is guided by own values and experiences of how to interact with a customer which are compared and then projected upon the present setting. It is not asked what an Indian project manager might actually know about interaction with an Indian customer which is not known at the German site. Therefore, the interpretations of the Indian project members remain hidden to the German site, leading to him as being perceived as incompetent.

This development suggests that a culturalized interpretation is slowly being chosen over a PM-related (technical) interpretation. For, as has been said before, from a marketing perspective, customer relationship management is indeed important to the project (Backhaus / Voeth 2006).

The perceived lack of competencies of Indian project members in interaction with the Indian customer as based on their *Indianness* became a major theme at the German site in spring 2008. Hence, in May 2008, an external project manager (a German national) with international expertise was introduced to the Indian site in order to manage Project X. He has worked for European and North American customers. Yet, he has never worked for an Indian customer, and he is not familiar with TechCorp as an organization. This applies to both organizational culture and design and the technical and managerial details of Project X.

As the story goes, the German production manager installed him against the wish of the former Indian global project manager who has now been subordinated to the new external manager of Project X.

In an interview in August 2008, the German production manager reflects upon this managerial change:

> *"The cooperation with the new external project manager is going very badly. He brings structure into the project. But his behavior is not good. The Indian colleagues like to see his butt the most. You cannot let him see an Indian customer.*
>
> *We had one incident, when he practically insulted the Indian customer. You know, in India, you cannot talk as straightforwardly as you can do with a German or American customer. Also, you need to be more polite and hide your true meanings. In this case, the customer walked out of the meeting and threatened to end the cooperation, the Indian colleagues were completely annoyed, and I had to step in and to do it the Indian way, I mean, communicate politely, and so on.*
>
> *Therefore, I have now cared for that customer interactions with Indian customers are only handled by the Indian colleagues. He [the external project manager] has learned PM from scratch. He is very experienced. The only reason, why I keep him within the project is that I do not want the project to fail.*
>
> *He [the external project manager] says: 'the Indians are capable of nothing. They are at the very beginning. Their project management skills equal zero. The Indian project manager has phoned me twice. They want to de-install the external project manager. But I don't believe that they can do it on their own.*
>
> *I just have to increase the pressure on India now. If I let it run along just like that, I would not do the Indians a favour. We need sustainability in our projects. The external project leader is necessary. He will teach the Indian colleagues how to manage projects of such size. He is costing me a hell of a lot of money, though." (Quo-*

te 6: A culturalized failure story, German production manager)

Quote 6 shows elements of both a finite story and of ongoing storying. One the one hand, it has an inherent structure but shows immanent contradictions. On the one hand, the external project manager is depicted as being "very experienced" and a true PM professional, on the other hand it is acknowledged that "his behavior is very bad". It is implied that this created issues with regard to the Indian customer which has resulted in customer interaction being handled by Indian colleagues. Furthermore, the external project manager is opposed by the Indian site, nevertheless, the German production manager sticks to his decision. If densified through the previous lens, quote 6 translates into the following logic from the German production manager's perspective: The project will fail. I am overall responsible for global production. Therefore, I cannot let the project fail. The external project manager is the only way of not letting the project fail. This is due to the fact that the external project leader is experienced in the technicalities of PM, even though he behaves wrongly.

In such a way, quote 6 shows how the expectation of project failure and the interpretation of current risk and how to manage this risk leads to the building up of narrative logic. The crucial starting point is the perceived incompetency of the Indian project leader, especially with regard to project control and in interaction with the Indian customer. Root causes identified are perceived cultural traits (*Indianness*) which are interpreted from an etic perspective. In such a way, *the Indianness of PM* is defined and becomes a project risk. At the same time, it is understood that there is a justification for managing an Indian customer differently. Therefore, the German production manager revises his division of letting the external project manager handle customer interaction. Still, he is not replaced. As the last sentence of quote 6 shows, even the aspect of additional costs is neglected when this external project manager is concerned: In fact, his appointment as an external expert who is being paid hourly on a freelance consulting basis *creates a high amount of additional project costs.*

When investigating into the reasons *why* the German production manager sticks to the external project manager nonetheless, one notices a certain degree of desperation from his side: From his perspective, his own organizational status, maybe even his career, is at stake. Furthermore, he is fighting strong negative feelings with regard to this project, resulting in interpretative conflicts (also see quote 1). The final logic is: "If I don't stick to him, then the project will fail." As quote 6 shows, this narrative logic serves to integrate conflicting interpretations, namely the fact that the external project manager is not as perfectly qualified as the German production manager might wish for and that he does not reduce but actually causes additional costs.

Yet, as depicted in the story, the external project manager seems to possess those qualities which might be *the most German*: He is tough, he brings structure to the project et cetera. Yet, at the same time, the German production manager is aware of the need to do it *the Indian way* and is obviously capable of applying this way himself. Nevertheless, the risk seems too high to actually let such a big project be run *the Indian way* which is not the way that feels secure to the German production manager.

In summary, this means: When having to make a decision on which PM-style to trust the most, the German production manager goes for the way which to him comes naturally based on his previous experiences and his own societal-cultural background. This interpretation is not based on an objective analysis of facts but on deep cultural sense-making. In such a way, the culturalized interpretation is chosen over a PM-related interpretation.

In comparison to quote 5 which served as an example for an interpretative conflict, quote 6 is a rather finite story. Nevertheless it still shows inherent contradictions which point to a previous

stage where the inherent interpretative conflict was present.

Over the following months, Project X evolved further. The external project manager remained in its role until the end. The project turned out to be successful in terms of quality but not in terms of time and costs. Indian colleagues continued to handle customer interaction until the very end. The German production manager was convinced he had made the right decision (an interpretation which the Indian site opposed). In January 2009, he says:

> *"When we started with Projext X, we made a wrong strategic decision initially [in appointing the Indian project manager]. However, because I became aware of it just in time, I was able to get a very experienced external project manager on board. It is true: Some cost issues which had been caused previously stuck with us until the end of the project X, but overall, it was this decision that brought the project back on track again." (Quote 7: Finite and retrospective story of culturalized success strategy, German production manager)*

As quote 7 shows, this story makes sense in retrospect: It is finite and establishes the reasons for project success. In this story, the production manager has established himself in a positive way: He, in the end, has saved the project. As this finite and retrospective story shows, the culturalized interpretation has prevailed over the PM-related interpretation. This might have been necessary from the production manager's part to give himself a positive role in the story and to solve a seemingly unbearable interpretative conflict with regard to costs and customer interaction which had built up over months and through divergent stories as told by multiple project team members.

5. Implications

As the given case has shown, technical PM across sites and cultures is complex and requires constant interpretation with regard to its potential future failure / success. Stories and the degree to which these stories make sense at present can help identify crucial points and turns of success / failure sensemaking through stories. We have classified these stories into three steps through which the interpretative cycle evolves. These are presented in the following:

The simplest story is the *retrospective success / failure story*: Here, success and failure are interpreted after the event has taken place. The German board member's interpretation of corporate history (quote 2) is an example of such a story. Such a story is characterized by a clear structure (beginning, middle and end) and by distinct characters (e. g. villain and hero). It can be expected that such stories are well-known and are told in similar manners by different individuals (Boje 2008). As this case has shown, individuals might need to construct such a story in order to establish themselves as *being in charge* or as *competent*. Quote 7, the production manager's retrospective story of success, can serve as an example for this need.

Those stories which might precede a turning point in narrative logic are not yet complete. These are messy examples of *ongoing success / failure storying.* As quotes 1, 3 and 5 by the German production manager and the Indian global project manager show, incomplete stories tend to present divergent interpretations (quote 3) or inherent conflicts (quote 5). They signify interpretative turning points. Therefore, an analysis of ongoing storying can help to identify potential future conflicts or interpretative gaps in PM.

If interpretative conflicts (as visible in ongoing storying) cannot be solved, individuals will try to solve them by establishing narrative logic despite the complexities of factual reality. Quotes 5 and 6 show how the German production manager is seemingly forced to decide for a culturalized interpretation in order to prevent project failure, despite the complexities of project reality.

The reason for this might lie in perceived endangerment and uncertainty: The production manager is responsible yet feels that he cannot foresee or control project success. Furthermore, he is insecure about how his actions will

be interpreted by higher management (quote 1). Therefore, he needs to make sure of a positive project reality. This means: He needs to structure project reality into simplified categories of risk / opportunity or success / failure to make sure that he is still a positive actor in this project's story. These storytelling categories do not represent *true project reality*. As quote 5 shows, the production manager is well aware of the fact that the cost issue cannot explained simply with Indian cultural traits (as visible in quote 4). Furthermore, he acknowledges that the Indian customer needs to be dealt with differently and is apparently able to do so himself. In doing so, he actually acknowledges the competency behind the Indian strategy of dealing with the Indian customer in a specific manner which he denies elsewhere.

Nevertheless, in the end, the manager – who is an internationally experienced and high-skilled professional – choses to neglect inherent contradictions and alternative interpretations in order to simplify project reality. We call this step in a *culturalized failure story / culturalized success strategy*. It consists of two parts: In its first part (quote 6), a *culturalized failure story* is constructed (Indianness as negative factor in PM), which results in a *culturalized success strategy* that proposes a solution to the perceived problem (chosing an experienced external project manager). In this third step, inherent contradictions are neglected. The story is culturalized, as it simplifies culture-specific difference and uses them as narrative reasons for failure. Quote 7 shows the final culturalized strategic success story, as told retrospectively. It closes the interpretative loop: Finally, the project makes narrative sense. In summary, all three steps – (1) retrospective success / failure stories, (2) ongoing success / failure storying and (3) culturalized failure story / culturalized success strategy – form a full interpretative cycle.

The intercultural dangers of culturalized failure / success stories are that they do not create new and integrative interpretations. That means that even though Project X came to a moderately successful end, it has not resulted in an integration of all stakeholders' perspectives on what constitutes good PM. In summary, it has not led to the establishment of trust across sites and to joint interpretations of failure / success in the future. Therefore, it seems likely, that conflicting stories resulting in culturalized interpretations might emerge again when future projects are pursued. Therefore, true *inter*-cultural project management competency which integrates previously divergent cultural styles has not been developed (see Mahadevan et al. 2011).

To prevent such issues from arising, it is suggested paying particular attention to ongoing success / failure storying in intercultural projects. This is the crucial step which might lead to culturalized interpretations in the future. To meet this goal, technical project managers need to be enabled to tolerate interpretative uncertainty with regard to project failure and success. For human resource development and intercultural training and education this means to offer interpretative coaching and support which goes beyond initial training. Rather than preparing for *difference*, such an interpretative coaching and support should focus on exchanging interpretations, becoming aware of own interpretations and suggesting alternative viewpoints.

The strength of the storytelling approach for doing so is that *stories* are known since childhood and evoke positive associations. Their fictitious character makes them less endangering than perceived PM facts. By training project management and staff to actually pay attention to the stories told or to comment upon each other's stories, alternative PM styles might become visible and valuable.

It is to be expected that project stories are linked to the characteristics of a specific project. In the given case, the PM-relevant characteristics of Project X are: (1) It is highly time-critical, (2) its outcomes have to meet high quality standards, (3) the project takes place across distance and time; communication involves technology; (4) it is managed and implemented by different

corporate sites and organizational units. If these aspects are perceived as conflicting or as well-integrated within the project, failure / success stories are likely to include these themes. Hence, all stakeholders should start their narrative enquiry with these subjects – either to uncover a potential conflict to be managed or to discover a potential resource for integration.

As has been said in the beginning, interpretative narrative analysis intends to approach how people make sense of reality and not reality itself. Nevertheless, it might provide actors in the field with a new perspective on their practice, in this case: how to manage intercultural technical projects the best possible. In the given case of Project X, for example, two PM-related findings based on interpretative narrative analysis seem relevant.

Firstly, it is notable that PM of Project X is always institutionalized within one single person. Yet, in case of projects across distance and time which involve several organizational units, PM theory suggests, for example, a "fractal organizational design" (Walter 2004:217f.). This implies that a project is managed by more than one individual and split up into core and sub-projects which are carried out locally but integrated globally. However, this requires well-functioning channels and tools of communication.

However, and this is the second PM-related implication, communication might need to be improved. In order to do so, all internal project members should be trained in internal and external communication. The latter involves constant dialogue with external stakeholders and is of particular importance for success (Schelle / Ottmann / Pfeiffer 2008:405ff.). Furthermore, it has to be analyzed whether communication technology meets project requirements.

For improving both conditions – project management design and communication – narrative analysis, interpretative coaching and support, and PM need to collaborate long-term. Only then can it be assessed whether a PM-related or a culture- based interpretation might be justified. For reaching this assessment, multiple views need to be exchanged.

6. Summary and conclusion

This article has shown that narrative sensemaking with regard to PM is a crucial factor of how future project success / failure is interpreted. Based on a long-term interpretative study of Project X at TechCorp, we have identified three steps of narrative sensemaking with regard to project success / failure: (1) retrospective failure stories; (2) ongoing failure storying; (3) culturalized failure stories / culturalized strategic success story. They serve the need to establish the narrative logic of a seemingly contradicting, messy and conflicting PM reality. When ongoing success / failure storying cannot solve these conflicts, then culturalized failure stories will be constructed that legitimize a culturalized strategic success story. Quotes 1 to 7 have provided examples, showing that PM reality is not a factual given but lies in the eyes of the beholder and might be influenced by his / her strategic interests and his / her degree of endangerment, security, uncertainty, fear, anger et cetera.

The danger of culturalized failure stories is that they provide seemingly logical interpretations which fall short of integrating all project stakeholders beyond initial differences. In short: They do not achieve the goal of managing time, cost and performance / quality through intercultural PM. Rather, they strengthen dichotomist categories of difference which are then likely to impact any future project.

The storytelling approach to ongoing PM success / failure might prevent these dichotomist interpretations to become prominent. For in any given project, individuals will try to make narrative sense of project-related aspects which *do not yet make sense.* Whenever this phenomenon is encountered, special attention should be paid to it.

Based on these interpretative narrative findings, PM-related areas of improvement might be identified. In the given case, project management design and communication have been mentioned. Furthermore, the narrative approach might enable the project stakeholders to exchange interpretations and to become aware of own sensemaking processes. As a mode of analysis, stories have the advantage of being perceived as less personal and as evoking positive associations. Therefore, they might seem less endangering than *actual* PM facts which project managers are trained to perceive in dichotomist categories of risk / opportunity or success / failure.

If project management and staff are trained to pay attention to the stories told or to comment upon each other's stories, different and presumably *incompetent* PM styles might lose their threatening potential. This might facilitate interpretations beyond previous dichotomies. In summary, both perspectives – the interpretative storytelling approach and a (technical) PM-perspective – are needed to assess and differentiate between cultural and PM-related issues in intercultural project work. A collaborative approach which integrates interculturalists, human resource professionals and those involved in intercultural technical projects, seems the most feasible approach for developing these skills. Further research needs to investigate how such training, education and development tools might be conceptualized and be integrated into the daily practice of technical PM.

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